Business Gateway
Advisory Group Meeting Notes
July 13, 2005

Meeting Summary

Purpose:
- Obtain consensus on Business Gateway's $7.89 million budget for FY 07
- Vote on the Funding allocation model to recommend to the Governance Board

Expected Outcomes: Commitment from the Advisory Group to recommend to the Governance Board:
- $7.89 million budget for FY 07
- Funding model and individual agency contribution

The Advisory Group discussed the FY 07 budget of $7.89 and voted on the FY 07 funding model options, which resulted in an 8-8 split. OMB will present the $7.89 amount and "One-Fifth" funding model (based on the same criteria as the FY 06 model) during the upcoming CIO Council meeting on July 20th. Advisory Group members should communicate the budget amount and funding model with their CIOs prior to this meeting. The PMO will provide additional information to enable the Governance Board to make an informed decision on the FY07 budget and funding model at the next Governance Board meeting, Wednesday, August 3rd.

Meeting Logistics

Facilitators:
- Shivani Desai — SBA
- Justin Van Epps — SBA

Knowledge Agent(s):
- Jiyoung Chung — BG PMO
- Barrett Summerlin — BG PMO

Participants:
- Barbara Lacour — USDA
- Jiyoung Chung — BG PMO
- Barrett Summerlin — BG PMO
- Franklyn Matthews — BG PMO
- Cameron Hogan — BG PMO
- Mardel Hall — BG PMO
- Adjoa Oriyomi — BG PMO
- Laura Fox — SBA
- Tim Wang — OMB
- Karen Hogan — DOC
- Bill Burdett — DOJ
- Barbara Bingham — DOL
- Steve Lott — DOT
- Neil Sattler — ED
- Joe Sierra — EPA
- Constance Downs — EPA
- Bruce Borzino — GSA
- Nate Zuckerberg — GSA
- Jack Stoute — HHS
- Kelly Wong — HUD
- Mary Smith-Toomey — OPM
- Justin Van Epps — SBA
- Shivani Desai — SBA
- Carole Campbell — SSA
- Phyllis Gattos — Treasury
- Gladys Myatt — Treasury

Dial-in Participants:
- Toby Henderson — DOE
- Cesar DeGuzman — DOL
- David Holyoke — SSA
- John Hopkins — DOS

Location and Time: 7th Floor, Administrators Conference Room, 1:00-2:00pm

Agenda:
- Welcome and Introduction of new Program Manager, Shivani Desai
- Overview of the FY 05 – FY 07 Budget
- Discussion and Vote on FY 07 Funding Model Options
- Q&A
- Next Steps: CIO Council, July 20th

Announcements and Introductions

Steven Galvan announced Justin Van Epp's transition and thanked him for his contribution to the Business Gateway Initiative. Justin will be managing the rest of the eGov initiatives for SBA. Justin introduced Shivani Desai as the new Program Manager for Business Gateway. He will be working with her over the next few weeks to ensure a smooth transition. Shivani introduced Charles McClam, new Deputy CIO of SBA.

CIO Council and Governance Board Meetings

The CIO Council meeting will be held on July 20th, at which the FY 07 budget numbers for all eGov projects will be presented. Shivani urged Advisory Group members to communicate today's meeting proceedings with CIO council members to ensure that they see the $7.89 million budget prior to the meeting. The $7.89 million estimate is based on the funding group's recommendations, and OMB will present this estimate with the caveat that it will be voted on by the Governance Board in upcoming weeks.

The next Business Gateway Governance Board meeting will be held Wednesday, August 3rd. A meeting invite will be sent out shortly. The agenda will be similar to that of the Advisory Group; Governance Board members will vote on the FY 07 budget and the two funding models.

Overview of the FY 05 – FY 08 Budget

Shivani presented a high-level outline of BG's FY 04 – FY 07 spend plan. In FY 04, limited funds ($3.13M) were used to establish a foundation for the initiative. BG is using FY 05 funds ($8.96M) for strategic planning and requirements gathering to prepare for implementation. In FY 06 ($10.32M), BG is focusing on execution and implementation, i.e., upgrade to www.business.gov, compliance assistance tool development, improve forms search capability.

Moving forward, BG will require fewer funds in FY 07 ($7.89M) because much heavy implementation will already have been funded. However, implementation of customer-driven functionality will carry into FY 07, and the budget therefore does not taper off quite yet. It is not until FY 08 when costs taper off, and when a transition to a steady-state service model will be achieved. Still, Shivani clarified, BG will continue to require some money to address new regulations and new requirements and therefore will never be in just maintenance mode.

Meeting handouts provide additional details regarding the spend plan, and the PMO will provide more concrete detail before the next Governance Board meeting.

FY 07 Budget Discussion

At the funding work group's request, the PMO researched other eGov initiative costs—including Certification & Accreditation, hosting, and Program Management Office—and concluded that all of BG's costs in these areas fall well within reasonable benchmarks.

Action items. The Advisory Group suggests that BG make the following clarifications and additions to meeting materials to better inform the Governance Board:

- Clarify lane activity and identify clear deliverables and time-frames for delivery
- Label the two project phases, planning and implementation, to better explain the cost increase in FY 06, relatively high cost in FY 07, and to clarify that a steady maintenance state does not occur until FY 08
- Clearly communicate the complexity of the project and why BG requires more money than individual agency projects that stand up similar functionality at much lower costs
- Provide the Exhibit 300 business case for FY 07 or next-best proxy information
- Clearly and consistently articulate benefits of BG to businesses and to agencies

- Address why there are so many FTEs and resolve BG's stance on the government FTE versus contractor debate (i.e., in terms of continuity and knowledge retention *versus* the ability to quickly scale down costs when implementation is completed/ fewer resources are necessary)
- Explicitly state that the $7.89 budget does not include Forms Processing
- Clarify what Forms Processing means and whether agencies will be required to participate and provide a cost estimate.

Regarding the final bullet, PMO clarified that the $7.89 million budget will not go up if Forms Processing proceeds; while agencies were required to contribute to the Forms Catalog, Forms Processing will be a voluntary cost for agencies that want and have a need for it much in the same way that Grants Management operates. In other words, the Forms Catalog is to Grants as Forms Processing is to Grants Management. PMO will provide this clarity for the Governance Board.

Funding Model Discussion and Vote

There are two Funding Model options based on the same criteria, listed below:
1. Agency discretionary budget
2. Number of forms currently in the Forms Catalog
3. Total Information Collection Requests (ICR)
4. Total Annual Number of Respondents to those ICRs
5. Total Burden Hours created by those responses

One model weights all five criteria equally ("One-Fifth Model"). The other model weights the burden criteria together, creating three factors ("One-Third Model"):
1. Agency Discretionary Budget
2. Number of forms currently in the Forms Catalog
3. Composite Burden on Business (average of ICRs, Respondents, and Burden Hours)

The table below presents a summary of agencies' arguments in favor of each model:

One-Fifth Model	One-Third Model

• More effectively represents which agencies get more use out of BG
 	
 • One-third model over-emphasizes agencies' ability to pay
	• Simple, logical themes:
	    1. "Agencies' ability to pay"
	    2. "How agencies use BG"
	    3. "How agencies should be using BG"
	
	 • Adjustments should be made for agencies that do not have regulatory authority over businesses (i.e., why should DOT's contribution go down and HUD's contribution go up?)

Action item. The Advisory Group recommends that BG summarize the pros and cons for both models and better explain their implications, i.e., the One-Fifth Model emphasizes burden, while the One-Third Model emphasizes ability to pay.

After the above discussion, the Advisory Group voted on the funding model, which resulted in a 50-50 split: eight agencies for each model. This is not a final vote but simply a recommendation to be taken to the CIO Council on July 20th. Because of the split vote, OMB will recommend that the one-fifth model be used because it is consistent with last year's model. The PMO will communicate this but urges the Advisory Group members to communicate this to their CIOs, as well. They will, however, let the CIO Council know that there is still discussion around what will be the final allocation model. The funding models will be presented at the Governance Board on August 3rd for a final vote.

Vote tallies are below:

Agency	One-Third	One-Fifth
Department of Education	✔	
Department of Justice	✔	
Department of Labor	✔	
Department of Transportation	✔	
Department of Treasury	✔	
Environmental Protection Agency	✔	
General Services Administration	✔	
Small Business Administration	✔	
Department of Agriculture		✔
Department of Commerce		✔
Department of Energy		✔
Department of Health and Human Services		✔
Department of Housing and Urban Development		✔
Department of State		✔
Office of Personnel Management		✔
Social Security Administration		✔
Department of Defense		
Department of Homeland Security		
Department of Interior		
Department of Veterans Affairs		
National Aeronautics and Space Administration		
National Science Foundation		

Action Items and Next Steps

BG will conduct requirements gathering sessions in an abbreviated format; lane leads will work with contractor support and present options to and get feedback from the work groups.

BG will conduct a meeting to discuss Forms Processing on Wednesday, July 27th.

The table below summarizes action items from the meeting:

Action Item List			
#	Description	Owner	Date
1	Communicate the FY 07 budget amount and agency contributions to the Governance Board members before the July 20th CIO Council meeting	Partner agencies, PMO	7/19/05
2	Send invitation with details for the Forms Processing meeting	PMO	7/20/05
3	Clarify FY 07 budget and funding model as described in the notes	PMO	7/27/05
4	Schedule work group meetings	PMO	TBD